

1 Roksana D. Moradi-Brovia (Bar No. 266572)  
Matthew D. Resnik (Bar No. 182562)  
2 **RESNIK HAYES MORADI LLP**  
17609 Ventura Blvd., Suite 314  
3 Encino, CA 91316  
**Telephone:** (818) 285-0100  
4 **Facsimile:** (818) 855-7013  
roksana@RHMFirm.com  
5 matt@RHMFirm.com

6 *Attorneys for Debtor*  
Northern Holding, LLC

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9 **UNITED STATES BANKRUPTCY COURT**  
10 **CENTRAL DISTRICT OF CALIFORNIA**  
11 **SANTA ANA DIVISION**

12 In re

13  
14 NORTHERN HOLDING, LLC

15 Debtor.

Case No. 8:20-bk-13014-MW

Chapter 11

16 **APPLICATION OF DEBTOR AND**  
17 **DEBTOR-IN-POSSESSION FOR**  
18 **AUTHORITY TO EMPLOY HILCO**  
19 **REAL ESTATE, LLC AS REAL**  
20 **ESTATE AGENT FOR THE ESTATE;**  
21 **DECLARATIONS OF LEROY**  
**CODDING AND SARAH BAKER IN**  
**SUPPORT THEREOF**

(No hearing required pursuant to LBR  
9013-1(o))

22 **TO THE HONORABLE MARK S. WALLACE, UNITED STATES**  
23 **BANKRUPTCY JUDGE; THE UNITED STATES TRUSTEE AND HIS COUNSEL**  
24 **OF RECORD; AND ALL CREDITORS AND PARTIES IN INTEREST:**

25 Northern Holding, LLC, the “Debtor” and “Debtor-in-Possession” (“DIP”) in the  
26 above captioned case, hereby applies to this Court pursuant to 11 U.S.C. §327 and Rule  
27 2014(a) of Federal Rules of Bankruptcy Procedure, to employ Hilco Real Estate, LLC  
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1 (“Applicant” or “Hilco”), as of February 1, 2021, to perform real estate consulting and  
2 advisory services and to market and sell certain real property, with compensation pursuant  
3 to §328, and respectfully represents as follows:

4  
5 **MEMORANDUM OF POINTS AND AUTHORITIES**

6 **I. STATEMENT OF FACTS**

7 *A. Introduction*

8 The Debtor commenced its bankruptcy case by filing a voluntary petition under  
9 Chapter 11 of 11 U.S.C. §101 et seq on October 28, 2020. The Debtor is operating its  
10 business and managing its financial affairs as a DIP pursuant to §§1107 and 1108 of the  
11 Bankruptcy Code.

12 The Debtor is a Minnesota LLC; it was created for the purpose of acquiring and  
13 restructuring a wine importer/distribution company in St. Paul, MN. Leroy Coddington is the  
14 sole and managing member of the Debtor.

15 The Debtor currently owns and operates the following real properties which it  
16 acquired from Erich Russell on October 27, 2020:

17 18 19 20 21 22 23 24	<b>“Live Oak Property”</b>  2380 Live Oak Road Paso Robles, CA 93446  <i>2 homes on the property.</i>	FMV \$9,700,000  1st TD: Farm Credit West, FLCA [hereinafter “Farm Credit”] (cross-collateralized with 1172 and Texas Road) \$19,040,509.25 (per Farm Credit’s Motion for Relief)  Property Taxes: County of San Luis Obispo County Tax Collector \$13,625.84
25 26 27 28	<b>“1172 Property”</b>  1172 San Marcos Road Paso Robles, CA 93446	FMV \$11,500,000  1st TD: Farm Credit (cross-collateralized with Live Oak and Texas Road)

1 2 3 4 5	<i>Winery facility (42,000 sq ft) and residential apartment.</i>	\$19,040,509.25 (per Farm Credit's Motion for Relief)  Property Taxes: County of San Luis Obispo County Tax Collector \$3,200,000
6 7 8 9 10 11 12 13	<b>"Texas Road Property"</b>  APN 027-145-022  <i>42-acre vineyard (permits obtained for a single-family residence but no plan to proceed with construction at this point).</i>	FMV \$4,300,000  1st TD: Farm Credit (cross-collateralized with 1172 and Live Oak) \$19,040,509.25 (per Farm Credit's Motion for Relief)  Property Taxes: County of San Luis Obispo County Tax Collector \$6,618.26

14 The Debtor also owns equipment: various pumps and irrigation capital equipment;  
15 trellis systems, miscellaneous winery equipment valued at about \$2,500,000.

16 This case was filed in order to stop a foreclosure sale of the Debtor's real properties  
17 by lienholder Farm Credit and so that it can otherwise reorganize its financial affairs.

18  
19 *B. Basis for Retention of Firm*

20 The Debtor wishes to employ Hilco in accordance with the terms of the *Real Estate*  
21 *Consulting and Advisory Services Agreement* ("Agreement") which is attached hereto as  
22 **Exhibit "A."**

23 Hilco is a diversified real estate consulting and advisory firm that evaluates,  
24 restructures, facilitates the acquisition of, and disposes of all types of real estate both  
25 nationally and internationally.

26 Hilco's role shall be to develop a sales strategy with the Debtor and to market the  
27 Live Oak and 1172 Properties for sale, to negotiate the terms of the sales on behalf of the  
28

Debtor and to advise and consult the Debtor regarding these transactions and process.

Hilco shall serve as the Debtor's exclusive agent for these purposes for six months, from the date of the entry of an order approving this Application.

As set forth in the Agreement, the sale reserve price is \$30,500,000 and Hilco will market the properties for sale through an accelerated sales process; the bid deadline/auction is anticipated to be or within eight weeks after entry of the order authorizing the employment of Applicant in this case.

Hilco will be casting a wide net, going beyond just the local market for the property, while also utilizing its proprietary data base of buyers nationwide. This expanded universe of buyers/investors and increased exposure results in more competition and higher prices.

## II. ARGUMENT

### *A. Applicant is Qualified to Represent the Debtor as Real Estate Agent*

As set forth in the Applicant's resume, a true and correct copy of which is attached hereto as Exhibit "B," Applicant has extensive experience in real estate transactions and is therefore well-qualified to represent the Debtor as real estate agent for the estate.

Hilco has vast experience solving complex real estate problems and advising financially distressed parties on how to maximize the value of real estate assets. Moreover, it has considerable prior bankruptcy court experience. Hilco's disposition and auction team have worked with numerous clients in the accelerated sale of challenging properties nationwide and to monetize hard-to-sell assets.

As set forth in detail in the attached declaration of Sarah Baker, *Vice President, Associate General Counsel of Hilco Trading, LLC, the Managing Member of the Applicant*, no person at Hilco holds any interest in, nor is any person materially adverse to the Debtor, and thus the Applicant constitutes a disinterested person as contemplated by 11 U.S.C. §327 and defined in §101(14) of the *Bankruptcy Code*. Applicant is not a creditor of the estate and is not owed any funds by the Debtor.

1 Other than as set forth herein, Applicant has not in the past represented the Debtor,  
2 its principals, insiders, or affiliates, and has no plans to represent any other related debtors,  
3 principals, insiders, or affiliates.

4 To the best of Ms. Baker's and the other members of the company's knowledge, no  
5 person in the company has any relationship or connection with the Debtor's creditors or  
6 other parties in interest or respective attorneys or accountants except as set forth herein.

7  
8 *B. Compensation Arrangements*

9 As set forth in detail in the attached Agreement between Applicant and Debtor, the  
10 Debtor has agreed that Hilco will be paid as follows:

11 1. Fees

- 12 a. If the reserve price is met or exceeded during the auction process or a  
13 property otherwise sells during the term (or during any tail period), the  
14 Debtor shall be obligated to pay the buyer's premium/commission to Hilco  
15 described below.
- 16 b. A buyer's premium of five percent (5.0%) of the winning bid amount will be  
17 charged to the winning bid (the "Buyer's Premium"). The Buyer's Premium  
18 will be added to the winning bid price and paid to Hilco in cash as its  
19 commission. The Buyer's Premium shall be added to the winning bid price  
20 to determine the total purchase price for the property.
- 21 c. In the event the Debtor accepts an offer to sell the property that does not  
22 include the Buyer's Premium as stated above, the Debtor agrees to pay to  
23 Hilco a commission equal to the same amount as would have been due if the  
24 total purchase price of the offer had been calculated using a Buyer's  
25 Premium of the percentage stated above.
- 26 d. The Debtor reserves the right to accept a price lower than the reserve price  
27 but is not obligated to do so.  
28

- 1 e. The properties will be offered individually or as an entire package. For the  
2 avoidance of doubt, Hilco shall earn and the Debtor shall be obligated to pay  
3 the below commission to Hilco in connection with the sale of each property.
- 4 f. All fees payable to Hilco hereunder shall be free and clear of any liens,  
5 claims and encumbrances, including the liens of any secured parties. Any  
6 fees owing to Hilco shall be payable at the time of closing on a sale of a  
7 property.
- 8 g. Hilco shall not be responsible for any other fees or commissions in  
9 connection with the disposition of the properties, including, without  
10 limitation, any compensation or fees due to an outside, third party broker in  
11 the event such third party broker procures the buyer of any property.

12 2. Costs

- 13 a. The Debtor shall reimburse Hilco for all reasonable and customary  
14 Reimbursable Expenses (as defined below) incurred in connection with the  
15 performance of the services proposed hereunder, for which Hilco and the  
16 Debtor shall agree on a proposed budget; provided, further, that such  
17 reimbursement obligation shall be capped at \$15,000 and shall become due  
18 at the closing of the sale of any property, or in the case of no sale, after  
19 completion of the sales program outlined herein, or cancellation of the  
20 auction, or successful credit bid by a lender in addition to any other fees due  
21 herein.
- 22 b. "Reimbursable Expenses" means all out-of-pocket expenses incurred in  
23 connection with performance of the contemplated services, including,  
24 without limitation: reasonable expenses of marketing, advertising, economy  
25 travel and transportation.

26 Based upon the nature of the services to be provided by Hilco and the fact that  
27 Hilco does not bill clients on an hourly basis, the Debtor seeks relief from having Hilco  
28 maintain time records or file interim or final fee applications, pursuant to 11 U.S.C. 328.

*C. Notice of this Application.*

Pursuant to *Local Bankruptcy Rule* 2014-1, notice of this Application will be served concurrently with the Application on all interested parties, as required.

**III. CONCLUSION**

**WHEREFORE**, the Debtor respectfully requests to be authorized, based upon the foregoing and pursuant to 11 U.S.C. § 327 and Rule 2014(a) of Federal Rules of Bankruptcy Procedure, to employ Hilco Real Estate, LLC as its real estate consultant and agent, as of February 1, 2021, with compensation pursuant to §328 or upon modified terms as the Court may deem just and proper.

Dated: February 15, 2021

**RESNIK HAYES MORADI LLP**

By: /s/ Roksana D. Moradi-Brovia  
**Roksana D. Moradi-Brovia**  
**Matthew D. Resnik**  
*Attorneys for Debtor*  
Northern Holdings, LLC

**DECLARATION OF LEROY CODDING**

I, LEROY CODDING, declare as follows:

1. I am over the age of 18. I have personal knowledge of the facts set forth herein, and if called as a witness, I could and would testify competently with respect thereto. Where facts are alleged upon information and belief, I believe them to be true.

2. I am the sole shareholder and sole managing member of Northern Holdings, LLC, the “Debtor” and “Debtor-in-Possession” (“DIP”) herein. I am authorized to make decisions for the Debtor.

3. The Debtor commenced its Chapter 11 bankruptcy case on October 28, 2020.

4. The Debtor is a Minnesota LLC; it was created for the purpose of acquiring and restructuring a wine importer/distribution company in St. Paul, MN.

5. The Debtor currently owns and operates the following real properties which it acquired from Erich Russell on October 27, 2020:

<b>“Live Oak Property”</b>  2380 Live Oak Road Paso Robles, CA 93446  <i>2 homes on the property.</i>	FMV \$9,700,000  1st TD: Farm Credit West, FLCA [hereinafter “Farm Credit”] (cross-collateralized with 1172 and Texas Road) \$19,040,509.25 (per Farm Credit’s Motion for Relief)  Property Taxes: County of San Luis Obispo County Tax Collector \$13,625.84
<b>“1172 Property”</b>  1172 San Marcos Road Paso Robles, CA 93446  <i>Winery facility (42,000 sq ft) and residential apartment.</i>	FMV \$11,500,000  1st TD: Farm Credit (cross-collateralized with Live Oak and Texas Road) \$19,040,509.25 (per Farm Credit’s Motion for Relief)



1		Property Taxes:
2		County of San Luis Obispo County Tax
3		Collector
4		\$3,200,000
5	<b>“Texas Road Property”</b>	FMV \$4,300,000
6	APN 027-145-022	1st TD:
7	<i>42-acre vineyard (permits obtained for a</i>	Farm Credit (cross-collateralized with
8	<i>single-family residence but no plan to</i>	1172 and Live Oak)
9	<i>proceed with construction at this point).</i>	\$19,040,509.25 (per Farm Credit’s Motion
10		for Relief)
11		Property Taxes:
12		County of San Luis Obispo County Tax
13		Collector
14		\$6,618.26

6. The Debtor also owns equipment: various pumps and irrigation capital equipment; trellis systems, miscellaneous winery equipment valued at about \$2,500,000.

7. This case was filed in order to stop a foreclosure sale of the Debtor’s real properties by lienholder Farm Credit and so that it can otherwise reorganize its financial affairs.

8. The Debtor wishes to employ and compensate Hilco Real Estate, LLC (“Applicant” or “Hilco”) in accordance with the terms of the *Real Estate Consulting and Advisory Services Agreement* (“Agreement”), a true and correct copy of which is attached hereto as **Exhibit “A.”**

9. Hilco’s role shall be to develop a sales strategy with the Debtor and to market the Live Oak and 1172 Properties for sale, to negotiate the terms of the sales on behalf of the Debtor and to advise and consult the Debtor regarding these transactions and process. Hilco shall serve as the Debtor’s exclusive agent for these purposes for six months, from the date of the entry of an order approving this Application. As set forth in the Agreement, the sale reserve price is \$30,500,000 and Hilco will market the properties for sale through an accelerated sales process; the bid deadline/auction is anticipated to be

1 or within eight weeks after entry of the order authorizing the employment of Applicant in  
2 this case.

3 10. The Debtor has decided to employ Hilco based on its vast experience in  
4 solving complex real estate problems and advising financially distressed parties on how to  
5 maximize the value of real estate assets and because Hilco has considerable prior  
6 bankruptcy court experience.

7 11. I have no connection to Hilco other than as set forth herein.

8 12. Hilco is not a creditor of the estate and is not owed any funds by the Debtor.

9 13. Other than as set forth herein, Hilco has not in the past represented the  
10 Debtor, its principals, insiders, or affiliates.

11 I declare under penalty of perjury under the laws of the United States of America  
12 that the foregoing is true and correct.

13  
14 Executed this February \_\_, 2021, at \_\_\_\_\_, California.

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16  
17 By: **SEE NEXT PAGE**

18 Leroy Codding  
19 *Declarant*  
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1 or within eight weeks after entry of the order authorizing the employment of Applicant in  
2 this case.

3 10. The Debtor has decided to employ Hilco based on its vast experience in  
4 solving complex real estate problems and advising financially distressed parties on how to  
5 maximize the value of real estate assets and because Hilco has considerable prior  
6 bankruptcy court experience.

7 11. I have no connection to Hilco other than as set forth herein.

8 12. Hilco is not a creditor of the estate and is not owed any funds by the Debtor.

9 13. Other than as set forth herein, Hilco has not in the past represented the  
10 Debtor, its principals, insiders, or affiliates.

11 I declare under penalty of perjury under the laws of the United States of America  
12 that the foregoing is true and correct.

13  
14 Executed this February 12, 2021, at Paso Robles, California.

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17 By:   
18 Leroy Codding  
19 *Declarant*  
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**DECLARATION OF SARAH BAKER**

I, SARAH BAKER, declare as follows:

1. I am over the age of 18. I have personal knowledge of the facts set forth herein, and if called as a witness, I could and would testify competently with respect thereto. Where facts are alleged upon information and belief, I believe them to be true.

2. I am the Vice President & Assistant General Counsel of Hilco Trading, LLC, the Managing Member of Hilco Real Estate, LLC (the "Applicant" or "Hilco").

3. Hilco is a diversified real estate consulting and advisory firm that evaluates, restructures, facilitates the acquisition of, and disposes of all types of real estate both nationally and internationally.

4. Northern Holdings, LLC, the "Debtor" herein, and Applicant have entered into a *Real Estate Consulting and Advisory Services Agreement* ("Agreement"), a true and correct copy of which is attached hereto as **Exhibit "A."**

5. Hilco's role shall be to develop a sales strategy with the Debtor and to market the Live Oak and 1172 Properties for sale, to negotiate the terms of the sales on behalf of the Debtor and to advise and consult the Debtor regarding these transactions and process. Hilco shall serve as the Debtor's exclusive agent for these purposes for six months, from the date of the entry of an order approving this Application. As set forth in the Agreement, the sale reserve price is \$30,500,000 and Hilco will market the properties for sale through an accelerated sales process; the bid deadline/auction is anticipated to be or within eight weeks after entry of the order authorizing the employment of Applicant in this case.

6. As set forth in the Applicant's resume, a true and correct copy of which is attached hereto as **Exhibit "B."** Applicant has extensive experience in real estate transactions and is therefore well-qualified to represent the Debtor as real estate agent for the estate.

1 7. Hilco will be casting a wide net, going beyond just the local market for the  
2 property, while also utilizing its proprietary data base of buyers nationwide. This expanded  
3 universe of buyers/investors and increased exposure results in more competition and  
4 higher prices.

5 8. Hilco has vast experience solving complex real estate problems and advising  
6 financially distressed parties on how to maximize the value of real estate assets. Moreover,  
7 it has considerable prior bankruptcy court experience. Hilco's disposition and auction team  
8 have worked with numerous clients in the accelerated sale of challenging properties  
9 nationwide and to monetize hard-to-sell assets.

10 9. The compensation agreement between the parties is set forth in detail in the  
11 attached Agreement, and summarized as follows:

12 -A buyer's premium of five percent (5.0%) of the winning bid amount will be  
13 charged to the winning bid (the "Buyer's Premium"). The Buyer's Premium will be added  
14 to the winning bid price and paid to Hilco in cash as its commission. The Buyer's Premium  
15 shall be added to the winning bid price to determine the total purchase price for the  
16 property.

17 -The Debtor shall reimburse Hilco for all reasonable and customary Reimbursable  
18 Expenses (as defined in the Agreement) incurred in connection with the performance of  
19 the services proposed hereunder, for which Hilco and the Debtor shall agree on a proposed  
20 budget; provided, further, that such reimbursement obligation shall be capped at \$15,000  
21 and shall become due at the closing of the sale of any property, or in the case of no sale,  
22 after completion of the sales program outlined herein, or cancellation of the auction, or  
23 successful credit bid by a lender in addition to any other fees due herein.

24 10. In the ordinary course of its business, Hilco and its affiliates maintain a  
25 database for purposes of performing "conflicts checks." The database contains  
26 information regarding its present and past representations and transactions.  
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28

1 11. I obtained a list of certain of the Debtor's creditors and other parties in  
2 interest in the above-captioned case from Debtor's counsel for purposes of searching the  
3 aforementioned database and determining the connection(s) which Hilco or its affiliates  
4 has with such entities. The "Potential Parties in Interest" list is attached hereto as

5 **Exhibit "C."**

6 12. Hilco searched the aforementioned database for the parties in interest  
7 identified on the Potential Parties in Interest list. To the extent that this inquiry has  
8 revealed any connections to certain Potential Parties in Interest, those connections are  
9 listed on and described in the attached **Exhibit "D."**

10 13. Other than as set forth herein or in **Exhibit "D"**, neither the Applicant nor I  
11 have in the past represented the Debtor, its principals, insiders, or affiliates, and have no  
12 plans to represent any other related debtors, principles, insiders, or affiliates.

13 14. To the best of my knowledge, neither the Applicant nor I have any  
14 relationship or connection with the Debtor's creditors or other parties in interest or  
15 respective attorneys or accountants except as set forth herein or in **Exhibit "D."**

16 15. To the best of my knowledge, neither the Applicant nor I have any  
17 connection with the U.S. Trustee ("UST"), persons employed by the UST, persons  
18 employed by the Bankruptcy Court or a Bankruptcy Judge, or any of their respective  
19 attorneys or accountants. No person at Hilco is a relative of the UST or a Bankruptcy  
20 Judge.

21 16. To the best of my knowledge, neither the Applicant nor I have ever been an  
22 investment banker for a security of the Debtor, or an attorney for such an investment  
23 banker in connection with the offer, sale or issuance of any security of the Debtor.

24 17. To the best of my knowledge, neither the Applicant nor I have ever been an  
25 equity security holder, insider, director, officer or employee of the Debtor.

26 18. To the best of my knowledge, neither the Applicant nor I hold or represent  
27 an interest adverse to the estate.  
28

1 19. To the best of my knowledge, neither the Applicant and nor I hold any  
2 prepetition claim against the estate.

3 20. The Applicant and I are “disinterested persons” within the meaning of 11  
4 U.S.C. §101.

5  
6 I declare under penalty of perjury under the laws of the United States of America  
7 that the foregoing is true and correct.

8  
9 Executed on February \_\_\_, 2021, at \_\_\_\_\_, \_\_\_\_\_.  
10

11 **SEE NEXT PAGE**

12 **Sarah Baker, Declarant**  
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1           19. To the best of my knowledge, neither the Applicant and nor I hold any  
2 prepetition claim against the estate.

3           20. The Applicant and I are “disinterested persons” within the meaning of 11  
4 U.S.C. §101.

5  
6           I declare under penalty of perjury under the laws of the United States of America  
7 that the foregoing is true and correct.

8  
9           Executed on February 12, 2021, at Northbrook, Illinois

10  
11 

12 **Sarah Baker, Declarant**



# **EXHIBIT A**

REAL ESTATE CONSULTING AND ADVISORY SERVICES AGREEMENT

This Agreement (the “Agreement”) is entered into as of February \_\_, 2021, by and between Hilco Real Estate, LLC (“Hilco”) and Northern Holding LLC (the “Debtor”), a debtor and debtor-in-possession in that certain Chapter 11 case, Case No. 8:20-Bk-13014-MW (the “Bankruptcy Case”), pending in the United States Bankruptcy Court for the Southern District of California (the “Bankruptcy Court”).

Recitals:

WHEREAS, the Debtor desires to retain Hilco as its exclusive agent to market for sale on its behalf that certain real estate property identified on Exhibit A attached hereto (each, a “Property, and collectively, the “Properties”) in accordance with the terms set forth herein; and

WHEREAS, Hilco is willing to perform the services described herein on the terms set forth herein.

Agreement:

NOW, THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Debtor and Hilco agree as follows:

1. Hilco Services. Hilco shall provide the following services to the Debtor during the Term (as hereinafter defined):

(a) Meeting with the Debtor to ascertain the Debtor’s goals, objectives and financial parameters in selling the Properties. The sales structure, including reserve pricing, is more specifically described on Exhibit B.

(b) Soliciting interested parties for the sale of the Property, and marketing the Properties for sale through an accelerated sales process. The bid deadline/auction is anticipated to be on or about April \_\_, 2021 or within eight (8) weeks after entry of the Retention Order (as defined below).

(c) At the Debtor’s direction and on the Debtor’s behalf, negotiating the terms of the sale of the Properties.

2. Term. The term (the “Term”) of this Agreement shall commence upon the execution hereof and shall expire six (6) months after the entry of the Retention Order, unless terminated earlier (for cause, as set forth in Section 10 hereof) or extended pursuant to the terms hereof. The Term may be extended for successive thirty (30) day periods upon written agreement by Hilco and the Debtor. The parties acknowledge and agree that the effectiveness of this Agreement is contingent upon approval of the Bankruptcy Court.

3. Authority. During the Term, Hilco shall serve as the Debtor’s exclusive agent for the purposes set forth in Section 1 above. All communications and inquiries made to the Debtor regarding a sale of the Properties during the Term shall be redirected by the Debtor to Hilco. The parties hereto agree that Hilco is serving as an independent contractor for the Debtor

pursuant to this Agreement for the limited purposes set forth herein and nothing herein shall be construed to establish a partnership or joint venture between Hilco and the Debtor.

4. Compensation.

(a) In the event any Property is sold (or the reserve price is met as set forth on Exhibit B), Hilco shall earn a fee equal to an amount as specified on Exhibit B of this Agreement.

(b) All fees payable to Hilco hereunder shall be free and clear of any liens, claims and encumbrances, including the liens of any secured parties. Any fees owing to Hilco pursuant to Section 4(a) shall be payable at the time of closing on a sale of a Property.

(c) Hilco shall not be responsible for any other fees or commissions in connection with the disposition of the Properties, including, without limitation, any compensation or fees due to an outside, third party broker in the event such third party broker procures the buyer of any Property.

5. Survival. If, within ten (10) days after the termination or expiration of the Term of this Agreement, Hilco delivers to the Debtor a written list of prospects for the Properties (the "Prospect List"), and within one hundred and twenty (120) days after the termination or expiration of the term of this Agreement, the Debtor consummates a sale of any Property to a prospect set forth on the Prospect List, Hilco shall be entitled to a fee, paid by the Debtor, in accordance with Section 4 hereof as if the sale had been agreed to or consummated during the Term of this Agreement, except and unless such termination is for cause as provided in Section 10, below. For purposes of this Agreement, to be properly included on the Prospect List, an entity must have submitted a written letter of intent, contract, or purchase offer to Hilco in connection with a Property, or must have been shown the applicable Property by Hilco, prior to the termination or expiration of the Term of this Agreement.

6. Costs. The Debtor shall reimburse Hilco for all reasonable and customary Reimbursable Expenses (as defined below) incurred in connection with the performance of the services proposed hereunder, for which Hilco and the Debtor shall agree on a proposed budget; provided, further, that such reimbursement obligation shall be capped at \$15,000 and shall become due at the closing of the sale of any Property, or in the case of a no sale after completion of the sales program outlined herein, or cancellation of the auction, or successful credit bid by a lender in addition to any other fees due herein. "Reimbursable Expenses" means all out-of-pocket expenses incurred in connection with performance of the contemplated services, including, without limitation: reasonable expenses of marketing, advertising, economy travel and transportation.

7. No Guaranty. Hilco has not guaranteed, and is not hereby guarantying, any specific result on the sale of the Properties.

8. Indemnification.

(a) Hilco's Indemnification

Hilco shall indemnify and hold the Debtor harmless from and against all liabilities, claims, demands, damages, costs and expenses (including reasonable attorneys' fees) arising from or related to any of the following: (a) the grossly negligent acts or omissions of Hilco; (b) the breach of any material provision of this Agreement by Hilco; (c) any liability or other claim asserted by any employee, representative, consultant or other person or entity claiming through Hilco against the Debtor arising out of or related to Hilco's conduct of the marketing or sale of the Properties, other than claims arising from the Debtor's negligence or unlawful behavior; and (d) any liability or claim for unpaid commission made by a co-broker retained by Hilco.

(b) The Debtor's Indemnification

The Debtor shall indemnify and hold Hilco and its members, officers, directors, employees, and principals harmless from and against all liabilities, claims, demands, damages, costs and expenses (including reasonable attorneys' fees) arising from or related to any of the following: (a) the negligent acts or omissions of the Debtor; (b) the breach of any material provision of this Agreement by the Debtor; and (c) claims asserted by any of the Debtor's previous real estate brokers.

9. General Provisions.

(a) The Debtor and Hilco shall deal with each other in good faith so as to allow both parties to perform their duties and earn the benefits of this Agreement.

(b) The effectiveness of this Agreement is subject to and contingent upon the entry of an Order under section 327 and 328 of the Bankruptcy Code (the "Retention Order"), in form and substance acceptable to Hilco, authorizing the Debtor's entry into this Agreement, which the Debtor agrees to use its commercially reasonable best efforts to obtain as soon as practicable. The Debtor will use its commercially reasonable best efforts to ensure that the Retention Order shall specifically provide that: (i) Hilco is being retained, *nunc pro tunc* to the date hereof, pursuant to sections 327 and 328 of the Bankruptcy Code by the Debtor; (ii) the payment of all fees and reimbursement of expenses hereunder to Hilco shall be free and clear of all liens, claims and encumbrances; (iii) all such payments of fees and reimbursement of expenses shall be made without further order of the Bankruptcy Court; (iv) Hilco shall not be required to comply with any licensing restrictions; and (v) Hilco is not required to maintain time records or file interim fee applications.

(c) Any correspondence or required notice shall be addressed as follows and shall be deemed given (i) when received if hand delivered, (ii) three (3) business days after depositing in the United States mail if sent first-class certified mail, and (iii) on the next business day if sent by overnight mail:

If to Hilco:	Hilco Real Estate, LLC
	5 Revere Drive
	Suite 320
	Northbrook, Illinois 60062
	Tel. (847) 418-2703

Fax (847) 897-0826  
Attn: Jeff Azuse  
[jazuse@hilcoglobal.com](mailto:jazuse@hilcoglobal.com)

with a copy to: Hilco Global  
5 Revere Drive, Suite 206  
Northbrook, Illinois 60062  
Tel. (847) 504-2462  
Fax (847) 897-0874  
Attn: Sarah Baker  
[sbaker@hilcoglobal.com](mailto:sbaker@hilcoglobal.com)

If to Debtor: Northern Holding LLC  
13217 Jamboree Rd St 429  
Tustin, CA  
92782  
Phone: 9522208216  
E-Mail: lecoddiniv@icloud.com

(d) This Agreement shall be deemed drafted by both parties hereto, and there shall be no presumption against either party in the interpretation of this Agreement.

(e) By executing or otherwise accepting this Agreement, the Debtor and Hilco acknowledge and represent that they are represented by and have consulted with independent legal counsel with respect to the terms and conditions contained herein.

(f) This Agreement may be executed in counterparts, and if executed and delivered via facsimile shall be deemed the equivalent of an original.

(g) Other than may be expressly stated herein, this Agreement creates no third-party beneficiaries.

(h) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provisions of this Agreement, which shall remain in full force and effect, and the invalid or unenforceable provision shall be reformed to the minimum extent required to render it valid and enforceable and to affect the intent of this Agreement.

(i) Neither this Agreement nor any of the rights hereunder may be transferred or assigned by either party hereto without the prior written consent of the other party. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

(j) No modification, amendment or waiver of any of the provisions contained in this Agreement, or any future representation, promise or condition in connection with the

subject matter of this Agreement, shall be binding upon any party to this Agreement unless made in writing and signed by a duly authorized representative or agent of such party. The failure by either party to enforce, or the delay by either party in enforcing, any of said party's rights under this Agreement shall not be construed as a waiver of such rights, and said party may, within such time as is provided by the laws established by any government with applicable jurisdiction, commence appropriate suits, actions or proceedings to enforce any or all of such rights. A waiver by either party of a default in one or more instances shall not be construed as a waiver in other instances.

(k) This Agreement, together with all additional schedules and exhibits attached hereto, constitutes a single, integrated written contract expressing the entire agreement of the parties concerning the subject matter hereof. No covenants, agreements, representations or warranties of any kind whatsoever have been made by any party to this Agreement except as specifically set forth in this Agreement. All prior agreements, discussions and negotiations are entirely superseded by this Agreement.

(l) All headings and captions in this Agreement are for convenience only and shall not be interpreted to enlarge or restrict the provisions of the Agreement.

(m) This Agreement has been made under the laws of the State of [ ], and such laws will control its interpretation and any and all issues, disputes, claims or causes of action which relate or pertain to, or result or arise from this Agreement or Hilco's services hereunder, shall be settled by the Bankruptcy Court.

(n) The Debtor acknowledges and agrees that Hilco may present the Properties for sale to a potential purchaser who is also exclusively represented by Hilco. In such event, Hilco will disclose such arrangement to the Debtor, and Hilco shall be considered a co-broker and may be paid a commission as the exclusive agent for the prospective purchaser in addition to any commission owed for the listing of the Properties, except that in no event shall the Debtor be obligated for any commission in excess of the amount provided for herein.

(o) IF EARNEST MONEY OR SIMILAR DEPOSITS ARE FORFEITED TO DEBTOR, IN ADDITION TO ANY OTHER RIGHTS OF HILCO HEREUNDER, THE FORFEITED EARNEST MONEY SHALL FIRST BE USED BY DEBTOR TO REIMBURSE HILCO'S REIMBURSABLE EXPENSES. TO THE EXTENT ANY EARNEST MONEY REMAINS AFTER DEBTOR REIMBURSES HILCO'S EXPENSES, SUCH REMAINING AMOUNTS SHALL BE DIVIDED EQUALLY AMONG DEBTOR OR ITS CREDITORS AND HILCO; PROVIDED, HOWEVER, HILCO'S PORTION OF THE REMAINING EARNEST MONEY, AFTER REIMBURSEMENT OF HILCO'S EXPENSES, SHALL NOT EXCEED THE TOTAL AMOUNT OF ANTICIPATED COMMISSION.

(p) THE DEBTOR AND HILCO AGREE THAT THE PROPERTIES WILL BE OFFERED FOR SALE AND WILL BE SOLD WITHOUT REGARD TO RACE, COLOR, RELIGIOUS CREED, ANCESTRY, AGE, NATIONAL ORIGIN, DISABILITY OR FAMILIAL STATUS.

10. Termination for cause. The Debtor may terminate this Agreement for cause upon written notice to Hilco at any time prior to the expiration of the Term. Termination for cause shall mean any termination as a result of Hilco's fraud, misrepresentation, gross negligence, willful misconduct or material breach of any of the terms of this Agreement. Upon termination of this Agreement pursuant to this Section 10, the Debtor shall be liable only for payment of accrued and unpaid Reimbursable Expenses of Hilco as of the effective date of the termination by the Debtor.

**IN WITNESS WHEREOF**, the Debtor and Hilco have executed and delivered this Agreement as of the date first above written.


Northern Holding LLC

By:  Leroy Coddling

Title: Managing Member

Date: 1/29/2021

HILCO REAL ESTATE, LLC,

•   
By: Sarah Baker

Title: VP & AGC, Managing Member

Date: February 1, 2021



**EXHIBIT A**

Property Addresses:

1172 San Marcos Road, Paso Robles, CA 93446  
2380 Live Oak Road, Paso Robles, CA 93446

**Reserve Price:**

Total purchase price of Thirty million five hundred thousand (\$30,500,000)

## **EXHIBIT B**

### **Price & Commission Structure**

#### **SALES STRATEGY & STRUCTURE: Managed Bid Sales Process**

Unless otherwise specified herein or agreed to between Hilco and the Debtor in writing, the sale will be conducted as a “reserve sale” with an undisclosed reserve price. The reserve price is set forth on Exhibit A as the “Reserve Price.” If the Reserve Price is met or exceeded during the auction process or a Property otherwise sells during the Term (or during any tail period), the Debtor shall be obligated to pay the below purchaser’s premium/commission to Hilco.

The Debtor reserves the right to accept a price lower than the Reserve Price but is not obligated to do so.

The Properties will be offered individually or as an entire package. For the avoidance of doubt, Hilco shall earn and the Debtor shall be obligated to pay the below commission to Hilco in connection with the sale of each Property.

#### **COMMISSION/BUYER’S PREMIUM**

A buyer’s premium of five percent (5.0%) of the winning bid amount will be charged to the winning bid (the “Buyer’s Premium”). The Buyer’s Premium will be added to the winning bid price and paid to Hilco in cash as its commission. The Buyer’s Premium shall be added to the winning bid price to determine the total purchase price for the Property. In the event the Debtor accepts an offer to sell the Property that does not include the Buyer’s Premium as stated above, the Debtor agrees to pay to Hilco a commission equal to the same amount as would have been due if the total purchase price of the offer had been calculated using a Buyer’s Premium of the percentage stated above.

# **EXHIBIT B**










CLOSE WITH CONFIDENCE

# STRATEGIC BANKRUPTCY SALES

## ABOUT US

Hilco Real Estate's (HRE) Bankruptcy Group is a national leader in assisting parties within a bankruptcy to monetize their real estate assets for their highest value. With 200+ years of combined experience working with clients and properties in unique scenarios, HRE strategically addresses complexities and crafts the optimal solution to deliver impressive results within an efficient timeframe.

## WHY HRE?

-  Targeted marketing
-  Customized solutions
-  Expert understanding of properties & markets
-  Nationwide valuation team
-  Direct access to Hilco's proprietary buyer network
-  Strong history of success
-  Speed-to-value

**90%**  
SUCCESS RATE

**\$5+ BILLION  
MONETIZED**  
OWNED & LEASED REAL ESTATE

AVERAGE SALE CYCLE  
**90 DAYS**

## TECHNIQUES TO MAXIMIZE VALUE



### AUCTIONS

(LIVE | ONLINE | SEALED-BID)



### SECTION 363 SALES PROCESSES



### STALKING HORSE SALES PROCESSES



### STRUCTURED SALES DATE-CERTAIN DEADLINES



## **HILCO REAL ESTATE (HRE) IS A NATIONAL LEADER IN THE DISPOSITION OF REAL ESTATE ASSETS SCHEDULED IN BANKRUPTCIES.**

### **HRE PROVIDES EFFECTIVE SOLUTIONS FOR:**

#### **DEBTOR COUNSEL:**

- HRE has sold thousands of properties in a responsive and efficient manner, resulting in a 90% success rate.
- HRE is well-versed on the intricacies of the section 363 sales process.
- Our in-house counsel stands ready to assist with pleadings, including motions-to-hire.

#### **FIRST LIEN CREDITOR COUNSEL:**

- HRE has assisted hundreds of secured creditors with real estate dispositions either within an approved plan or post-relief.
- REO departments from numerous local & national banks have utilized our services.
- Valuation consultations & disposition proposals are available.

#### **TRUSTEE:**

- HRE understands the function and fiduciary responsibilities of a Trustee within a bankruptcy.
- HRE has sold hundreds of properties scheduled in bankruptcies and knows the details of the process.
- Our in-house counsel is ready to assist with pleadings, including motions-to-hire.

### **CONTACT**

**TERENCE ROCHFORD, J.D.**, Senior Vice President

 239.250.4286

 trochford@hilcoglobal.com

**NICO NESENOFF, J.D.**, Director

 518.221.8624

 nnesenoff@hilcoglobal.com



# INTRODUCTION

On behalf of the team at Hilco Real Estate (“HRE”) we appreciate the opportunity to submit our qualifications and capabilities related to our strategic real estate sales program as it relates to 1172 San Marcos Road, Paso Robles, CA 93446 & 2380 Live Oak Road, Paso Robles, CA 93446.

At HRE we advise and execute strategies to assist clients seeking to generate maximum value from their assets. One key differentiator between HRE and other real estate service providers is our experience-driven success in assisting our clients with a date-certain, highly-competitive sale process. As such, we are confident in our ability to perform on a timely basis and to clear the market for the best buyers. Another differentiator is our hands-on approach. The HRE Transaction Team who will be dedicated to you consists of Terry Rochford, Nico Nesenoff, and Jeff Azuse who will be at the front line executing any transaction.

HRE has been involved in the acquisition or disposition of hundreds of millions of square feet of owned and leased commercial real estate over the last fifteen years. As such, HRE has access to tens of thousands of known real estate investors and strategic purchasers. These are individuals and companies with whom our team has done business and who know and trust our organization. In fact, many contacts regularly communicate with us to learn of new potential investment opportunities.

We have included herein additional information on HRE’s marketing capabilities and sale strategies. Additionally, we have outlined the timing and fees associated with a transaction.

Our proposal is broken up into three sections:

- 1) Reasons We’re The Best Choice
- 2) Who We Are, Get to Know Us Better
- 3) Process & Fee Summary

Thank you again for this opportunity to present our qualifications and capabilities. We look forward to your review and ensuing discussions.



5 REASONS

# WE'RE THE BEST CHOICE

01 Speed-to-value

02 More options and  
better performance

03 Rigorous  
marketing

04 History of  
success

05 Wide-ranging  
expertise





## We offer more transactional channels than any other firm, to create a solution that works for you

	REAL ESTATE BROKER	INVESTMENT BANKER	REAL ESTATE AUCTIONEER	ONLINE AUCTION COMPANY	HILCO REAL ESTATE 
Traditional Brokerage	✓				✓
Structured Sales with Date-Certain Deadlines	✓				✓
Live Auctions			✓		✓
Sealed-Bid Auctions			✓		✓
Online Auctions			✓	✓	✓
Sale-Leaseback Advisory/Execution		✓			✓
Stalking Horse Processes (in and out of bankruptcy)		✓			✓
Real Estate Solutions as part of Bankruptcy Advisory		✓			✓
Loan/Note Sales		✓		✓	✓



# HOW WE BEAT CONVENTION



## **HILCO GLOBAL REACH** **NOT JUST THE** **NEIGHBORHOOD**

Our strategic and aggressive marketing initiatives give your assets vast exposure, broadening the market of potential buyers



## **DELIVER BUYERS** **NOT JUST WAITING** **FOR THEM**

We are proactive in reaching out and bringing buyers to you



## **EFFICIENT WORK** **NO WASTED** **TIME**

We sell on an accelerated time frame, maximizing the value of your property

# ACCELERATED SPEED-TO-VALUE

DAYS

30

60

90

120

150

180

210

240

270

300



**Hilco**<sup>TM</sup>

Real Estate Sales

0-30

Finalize marketing strategy  
Prepare marketing collateral  
Gather due diligence

30-90

Conduct extensive marketing  
Provide detailed due diligence  
Offers due  
Use competitive negotiating tactics

90-120

Sign contract  
Deposit earnest money  
Close transaction



**CONVENTIONAL  
METHODS  
AVERAGE TIMELINE**

0-90

Market property to limited  
buyers & wait for offers

90-180

Receive offers, accept  
contingent contract  
Buyer starts extensive due  
diligence

180-270

Due diligence  
period ends  
Buyer either proceeds  
to closing, extends  
due diligence, or  
renegotiates price

## BUILD CUSTOM MARKETING PLAN



### PRINT

- Local, regional & national publications
- Real estate publications
- Industry trade publications
- Direct mail to targeted market audience
- Press release
- Custom-designed brochure
- Signage



### DIGITAL

- Website advertising
- Multiple external listing platforms
- Email marketing with internal proprietary lists
- Email marketing with external industry platforms
- Social media campaigns
- Retargeting ads
- Search keyword campaigns



### RELATIONAL

- Public relations
- Attorney coordination
- Seller review & approval of material
- Prospect management
- Monitor virtual due diligence room
- Operate property showings
- Communicate real-time analysis
- Pre-sale review with seller

## REVISE & REFINE

### ANALYZE & REPORT

**30-60 DAY MARKETING CYCLE**



**\$3+ BILLION MONETIZED** OWNED & LEASED REAL ESTATE

---

DISPOSITION OF  
**200M SF**  
RETAIL, OFFICE, INDUSTRIAL

**90%**  
SUCCESS RATE

**45k** LEASES  
REPOSITIONED  
*\$5+ billion saved*

---

**\$1 BILLION** IN INVESTMENTS

**10k** APPRAISALS  
*\$6 billion valued*

# CASE STUDIES



## The Metroplex - Torchlight

The Metroplex is a 15-story luxury waterfront, multi-family apartment building that includes 126 residences with high-end finishes. The building is located directly on the coast of the Atlantic Ocean in Far Rockaway, Queens, New York. Hilco was brought into the deal by Torchlight Investors and was exclusively retained to run a two-phased sale process. Hilco received 12 qualifying offers; the top five offers attended the runoff auction where the opening bid was \$22.5 million and active bidding resulted in a final winning bid of \$27.6 million.

## IDI Logistics

HRE was retained by IDI Logistics, a major industrial REIT. Over the course of many years of developing industrial parks, IDI had accumulated numerous one-off land parcels in major metro areas. In an effort to "clean up" IDI's balance sheet and generate proceeds from these non-performing assets, HRE implemented a date-certain program culminating in an online auction. HRE received over 160 inquiries for these properties. The sale resulted in sixteen of the twenty parcels being sold in less than six months.



## Hostess

When Hostess Brands announced it was shutting down its business and selling all assets, Hilco was appointed exclusive real estate advisor early in the process, initially valuing all 260 owned locations. After 120 were sold as part of a combined brand/asset purchase of certain brands, Hilco handled the sale of the remaining 140 diverse real estate assets across 34 states. Hilco quickly implemented a highly innovative and effective marketing campaign consisting of print advertising, website listings, electronic media, public relations and signage. Within approximately 90 days, over 6,000 prospective buyers had responded, which led to over 400 offers. Ultimately the portfolio (which included the real estate, machinery and equipment and over 10,000 trucks) was sold in a bulk transaction at auction to the stalking horse bidder, which yielded the estate over \$62 million in proceeds.



## Lowe's Home Improvement

The Lowe's Home Improvement relationship was established in early 2018, in anticipation of Lowe's announcing the possible closure and wind-down of its (primarily West Coast-based) 100+ unit Orchard Supply Hardware chain of stores. Consequently, HRE's role with Lowe's has again grown to include assisting with excess/non-core owned and leased Lowe's Home Improvement locations throughout the US.

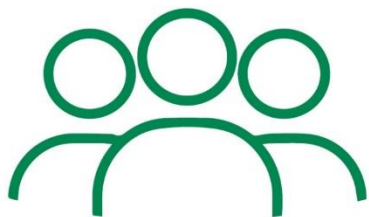
# WE BRING A RANGE OF PERSPECTIVES TO THE REAL ESTATE WORLD

Providing **unparalleled depth and experience**, our diverse team of **50+ professionals** includes:

**LAWYERS**



**INVESTORS**



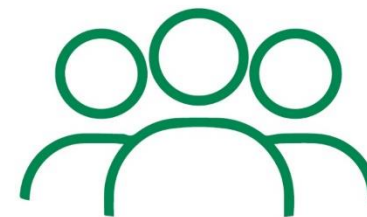
**DEVELOPERS**



**FINANCIERS**



**ADVISORS**





# WHO WE ARE

Hilco Real Estate is the property-focused division of a world leader in asset valuation, monetization, and advisory services: Hilco Global. To date, Hilco Global has sold over \$20B in assets.

We are international experts in multi-faceted sales structures, negotiation strategies, aggressive repositioning and restructuring, and complex transactions.

In our 20+ years, Hilco Real Estate has become one of the largest full-service strategic real estate repositioning groups in North America.

We only take on transactions we truly believe in. If we take it on, we get it done!





# WHO WE SERVE



# WHAT WE SELL

Hilco Real Estate is working nationally and internationally to sell property in virtually every real estate asset class



**OFFICE/FLEX/  
OTHER COMMERCIAL**



**MANUFACTURING/DISTRIBUTION/  
WAREHOUSE**



**RETAIL/RESTAURANT/  
HOSPITALITY**



**RESIDENTIAL/MULTI-FAMILY**



**SPECIALTY ASSETS**  
(E.G., FARMS, PARKING GARAGES,  
HOSPITALS, GAS STATIONS/C-STORES)



**LAND PARCELS**



# PROCESS & FEE SUMMARY

*Hilco Real Estate Sales core competency is understanding the value of real property and how to monetize that value within an efficient time frame.*



# PROCESS & FEE SUMMARY

## Marketing Strategy

Hilco Real Estate's marketing program sets us apart from others by being targeted, robust, and user specific. In this event, we will target the local, regional, national, and international buyers for this property. We will also attract national investors and private equity firms through our print and digital media campaigns, as well as Hilco's own proprietary databases of buyers and investors.



**Metrics:** Marketing campaigns are continuously monitored to ensure proper media placement and market outreach. We will update you as to web page visits, frequency in online data rooms, downloaded property information, phone contact, on-site showing attendance, and other buyer questions we receive. We track the source and interest level of buyers who have inquired about the properties. Ultimately, this allows us to adjust the program as needed to generate as much interest as possible, find the best qualified buyers, and obtain the highest sale price.



**Marketing Investment:** We recommend a marketing budget of \$15,000, the detail of which would be provided prior to engagement commencement. Hilco can advance the Marketing Investment, if the property sells Hilco will pay for it out of their commission, if the property does not sell it will be paid back to Hilco from the estate.

### **Buyer's Premium:**

We will charge the winning bidder a five (5%) Buyer's Premium which will get added onto their high bid price to equal their total purchase price. This Buyer's Premium will be our (Hilco's) fee for the sale.

**Term:** Six-month exclusive listing period.



# OUR TEAM



**RON LUBIN**  
Executive Vice President  
(617) 451-5041  
rlubin@HilcoGlobal.com



**JOEL SCHNEIDER**  
Senior Vice President  
(847) 418-2723  
jschneider@HilcoGlobal.com



**JEFF AZUSE**  
Senior Vice President  
(847) 418-2703  
jazuse@HilcoGlobal.com



**STEVE MADURA**  
Senior Vice President  
(847) 504-2478  
smadura@HilcoGlobal.com



**TERENCE ROCHFORD**  
Senior Vice President  
(239) 287-1005  
trochford@HilcoGlobal.com



**ED BECK**  
Vice President  
(847) 313-4753  
ebeck@HilcoGlobal.com



**CHET EVANS**  
Vice President  
(847) 418-2702  
cevans@HilcoGlobal.com



**ADAM SURKIS**  
Senior Managing Director  
(847) 849-2963  
asurkis@HilcoGlobal.com



**JONATHAN CUTICELLI**  
Managing Director  
(203) 561-8737  
jcuticelli@HilcoGlobal.com



**DAVID GOTTLIEB**  
Managing Director  
(847) 313-4793  
dgottlieb@HilcoGlobal.com



**JAMES KEITH**  
Managing Director  
(270) 304-1020  
jkeith@HilcoGlobal.com



**FERNANDO PALACIOS**  
Managing Director  
(301) 355-5000  
fpalacios@HilcoGlobal.com



**STUART PAGE**  
Managing Director  
(512) 963-7243  
spage@HilcoGlobal.com



**RYAN RAFTER**  
Managing Director  
(847) 849-2981  
rafter@HilcoGlobal.com



**GIOVANNI RESTREPO**  
Managing Director  
(847) 418-2700  
jrestrepo@HilcoGlobal.com



**NICO NESENOFF**  
Director  
(518) 221-8624  
nnesenoff@HilcoGlobal.com



**KIEFER PRICE**  
Associate  
(847) 504-3221  
kprice@HilcoGlobal.com



**CHRISTINE MCDERMOTT**  
Marketing Director  
(843) 364-5559  
cmcdermott@HilcoGlobal.com



**ELIZABETH BURKE**  
Marketing Manager  
(847) 504-3288  
eburke@HilcoGlobal.com



**JERICO DUENK**  
Marketing Coordinator  
(920) 627-3830  
jduenk@HilcoGlobal.com

LET'S CLOSE THIS DEAL TOGETHER...

# WITH CONFIDENCE

Terry Rochford J.D.  
Senior Vice President  
239.287.1005  
trochford@hilcoglobal.com

Jeff Azuse  
Senior Vice President  
847.418.2703  
jazuse@hilcoglobal.com

Nico Nesenoff J.D.  
Director  
518.221.8624  
nnesenoff@hilcoglobal.com



# **EXHIBIT C**

Label Matrix for local noticing  
0973-8  
Case 8:20-bk-13014-MW  
Central District of California  
Santa Ana  
Tue Feb 9 12:49:30 PST 2021

Franchise Tax Board  
Bankruptcy Section MS: A-340  
P.O. Box 2952  
Sacramento, CA 95812-2952

Resnik Hayes Moradi LLP  
17609 Ventura Blvd Ste 314  
Encino, CA 91316-5132

Bank of America  
PO Box 15019  
Wilmington, DE 19850-5019

Electro-Steam Generator Corp.  
50 Indel Avenue  
Rancocas, NJ 08073

Franchise Tax Board  
Attn: Bankruptcy Unit  
P.O. Box 2952  
Sacramento, CA 95812-2952

PG&E  
P.O. Box 99700  
Sacramento, CA 95899-7300

United States Trustee (SA)  
411 W Fourth St., Suite 7160  
Santa Ana, CA 92701-4500

Roksana D. Moradi-Brovia  
RESNIK HAYES MORADI LLP  
17609 Ventura Blvd., Suite 314  
Encino, CA 91316-5132

Employment Development Dept  
Bankruptcy Group MIC 92E  
P.O. Box 826880  
Sacramento, CA 94280-0001

Internal Revenue Service  
PO Box 7346  
Philadelphia, PA 19101-7346

Securities & Exchange Commission  
444 South Flower St., Suite 900  
Los Angeles, CA 90071-2934

California Dept of Tax and Fee Admi  
Special Ops, MIC 29  
PO Box 942879  
Sacramento, CA 94279-0005

Erich Russell  
2380 Live Oak Road  
Paso Robles, CA 93446-9693

Franchise Tax Board  
Bankruptcy Section MS A340  
PO BOX 2952  
Sacramento CA 95812-2952

San Luis Obispo Tax Collector  
1055 Monterey St Room D290  
San Luis Obispo, CA 93408-1003

West Coast Wine Partners  
134 Church Street  
Sonoma, CA 95476-6612

Farm Credit West, FLCA  
c/o Michael J. Gomez  
Frاندzel Robins Bloom & Csato, L.C.  
1000 Wilshire Boulevard, 19th Floor  
Los Angeles, CA 90017-2457

Northern Holding, LLC  
143 1/2 S. Olive Street  
Orange, CA 92866-1331

Santa Ana Division  
411 West Fourth Street, Suite 2030,  
Santa Ana, CA 92701-4500

Capital One  
P.O. Box 60599  
City Of Industry, CA 91716-0599

Farm Credit West  
3755 Atherton Rd  
11707 Fair Oaks Blvd  
Rocklin, CA 95765

Mortgage Lender Services as Agent  
Farm Credit West, FLCA, as Trustee  
11707 Fair Oaks Blvd  
Fair Oaks, CA 95628-2816

Sunbelt Rentals  
P.O. Box 409211  
Atlanta, GA 30384-9211

Matthew D. Resnik  
Resnik Hayes Moradi  
17609 Ventura Blvd. Suite 314  
Encino, CA 91316-5132



Case 8:20-bk-13014-MW  
(d) Internal Revenue Service  
P.O. Box 7346  
Philadelphia, PA 19101-7346

Doc 57 Filed 02/15/21 Entered 02/15/21 16:15:25 Desc  
Main Document Page 49 of 53  
End of Label Matrix  
Mailable recipients 24  
Bypassed recipients 1  
Total 25

# **EXHIBIT D**

### **Disclosures**

- a. Affiliates of Hilco have a credit facility in place with Bank of America, N.A., for which Hilco is a guarantor.
- b. In matters unrelated to the Debtor, affiliates of Hilco currently perform and/or have previously performed appraisal services for (or related to) the following entities: (i) Bank of America, N.A., and (ii) Capital One. *Hilco does not believe that these connections create a conflict of interest regarding the Debtor or this Chapter 11 case.*
- c. Because of the magnitude of the entire creditor list in this case, it is possible that Hilco may represent or may have represented other creditors of the Debtor but does not represent any such creditors in connection with this case. Hilco presently or in the past has served as a professional person in other matters, wholly unrelated to the Debtor or this case, in which other attorneys, accountants and other professionals of the Debtor, creditors, or other parties in interest may have also served or serve as professional persons.

## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:

17609 Ventura Blvd., Suite 314, Encino, CA 91316.

A true and correct copy of the foregoing document entitled (*specify*): **APPLICATION OF DEBTOR AND DEBTOR-IN-POSSESSION FOR AUTHORITY TO EMPLOY HILCO REAL ESTATE, LLC AS REAL ESTATE AGENT FOR THE ESTATE; DECLARATIONS OF LEROY CODDING AND SARAH BAKER IN SUPPORT THEREOF** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. **TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF)**: Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) 2/15/2021, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. **SERVED BY UNITED STATES MAIL**: On (*date*) 2/15/2021, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☒ Service information continued on attached page

3. **SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) 2/15/2021, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

2/15/2021

*Date*

Ja'Nita Fisher

*Printed Name*

/s/ Ja'Nita Fisher

*Signature*

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF)[CONTINUED]:**

- **Nancy S Goldenberg** nancy.goldenberg@usdoj.gov
- **Michael J Gomez** mgomez@frandzel.com, dmoore@frandzel.com
- **Roksana D. Moradi-Brovia** roksana@rhmfirm.com, matt@rhmfirm.com; janita@rhmfirm.com; susie@rhmfirm.com; max@rhmfirm.com; priscilla@rhmfirm.com; pardis@rhmfirm.com; russ@rhmfirm.com; rebecca@rhmfirm.com; david@rhmfirm.com; sloan@rhmfirm.com
- **Matthew D. Resnik** matt@rhmfirm.com, roksana@rhmfirm.com; janita@rhmfirm.com; susie@rhmfirm.com; max@rhmfirm.com; priscilla@rhmfirm.com; pardis@rhmfirm.com; russ@rhmfirm.com; rebecca@rhmfirm.com; david@rhmfirm.com; sloan@rhmfirm.com
- **United States Trustee (SA)** ustpregion16.sa.ecf@usdoj.gov
- **Reed S Waddell** rwaddell@frandzel.com, sking@frandzel.com
- **Gerrick Warrington** gwarrington@frandzel.com, sking@frandzel.com

**2. SERVED BY UNITED STATES MAIL [CONTINUED]:**

Hon. Mark S. Wallace  
U.S. Bankruptcy Court  
Central District – S.A. Division  
411 West Fourth Street, Suite 6135  
Santa Ana, CA 92701-4593

Northern Holding, LLC  
13217 Jamboree Rd #429  
Tustin CA 92782

Hilco Real Estate, LLC  
ATTN: Sarah Baker and/or Jeff Azuse  
5 Revere Drive  
Suite 320  
Northbrook, Illinois 60062